

This listing of claims replaces all previous versions and listings of claims.

**Listing of Claims:**

1. (Presently amended) A method of ~~cost effectively~~facilitating funding of a loan, said ~~the~~ method comprising ~~the step of~~ providing, by a lending institution, a financial guaranty to an insurance company as a first loss protection for the loan as an enticement to the insurance company to insure the loan.
2. (Original) A method as recited by claim 1, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the loan is a loan of the lender.
3. (Original) A method as recited by claim 1, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the loan is a loan of a third party.
4. (Original) A method as recited by claim 1, wherein the loan comprises a pool of loans.
5. (Original) A method as recited by claim 1, wherein the loan is transferred by the lending institution to an entity that issues a note to obtain funding for the loan, and wherein the note is insured by the insurance company.

6. (Original) A method as recited by claim 5, wherein the entity comprises a bankruptcy-remote entity and a trust.

7. (Original) A method as recited by claim 5, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the loan is a loan of the lender.

8. (Original) A method as recited by claim 5, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the loan is a loan of a third party.

9-13. (Cancelled)

14. (New) A method of a lending institution insuring a loan with an insurance company, the loan having a first loss and other loss, the method comprising:

receiving insurance for the loan from an insurance company, thereby transferring loss to the insurance company;

providing a financial guaranty to the insurance company in return for a first loss, the lending institution thereby retaining the first loss and the insurance company assuming the other loss.

15. (New) A method as recited by claim 14, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the loan is a loan of the lender.

16. (New) A method as recited by claim 14, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the loan is a loan of a third party.

17. (New) A method as recited by claim 14, wherein the loan comprises a pool of loans.

18. (New) A method as recited by claim 14, wherein the loan is transferred by the lending institution to an entity that issues a note to obtain funding for the loan, and wherein the note is insured by the insurance company.

19. (New) A method as recited by claim 18, wherein the entity comprises a bankruptcy-remote entity and a trust.

20. (New) A method as recited by claim 18, wherein the lending institution comprises a lender and a reinsurer, and wherein the financial guaranty is reinsurance provided by the reinsurer, and wherein the loan is a loan of the lender.